

Community Programs Update

A close-up photograph of the side of a white police vehicle. The words "Hot Springs" are written in a black script font above the word "POLICE" in large, bold, blue capital letters with a red outline. A black door handle is visible to the right of the text.

**Community
Facilities**

A close-up photograph showing water being poured from a clear plastic bottle into a clear plastic measuring cup. The water is captured mid-pour, creating a dynamic splash.

Water

A photograph of a dry, grassy field with a single strand of barbed wire running horizontally across the upper portion of the frame.

Wastewater

A black rectangular sign with a red border. The word "DANGER" is written in large, bold, red capital letters at the top, and "SEWER LAGOON" is written in smaller, bold, red capital letters at the bottom.

DANGER
SEWER LAGOON

What is new

- AIS – Bringing manufacturing jobs back
- ePER-Web based application
- 2015 ACS Data – to be adopted (someday)
- Farm Bill population limit 50,000 for the RD Guaranteed Program

Areas of Eligibility

- Entity
- Facility/Project
- Population
- Median Household Income (MHI)
- Credit Elsewhere
- Needs Test
- HOW MUCH ARE YOU INVESTING?

WEP Direct Loan Grant Programs

Facility must serve a rural area <10,000 population:

Units of Local Government-City, Town,
County, Special Districts, etc.

- Community Based Non-Profit Corps.
- Federally Recognized Indian Tribes

WEP Direct Loan Grant Programs

Eligible Loan and Grant Fund Uses:

- Construction
- Engineering and Inspection Services
- Legal Fees
- Land and rights
- Construction Interest *
- In some cases, startup costs *
- But, only costs incurred after the date of the balance sheet provided in the application and used for underwriting the Rd funding

*These Costs are loan only

WEP Direct Loan Grant Programs

- Do you have the right project?
 - Are you short water but have not addressed leaks in your water system?
 - Are you building a WWTP but have not looked at you I&I?
- Do you have control of the land needed-if not when?

Water / Wastewater Planning Grants

Search

Pre- Development

- | | | |
|---------|----------|----------|
| • Pop | 2,500 | 10,000 |
| • MHI | \$38,205 | \$38,205 |
| • Match | 0% | 25% |
| • Grant | \$30,000 | \$30,000 |

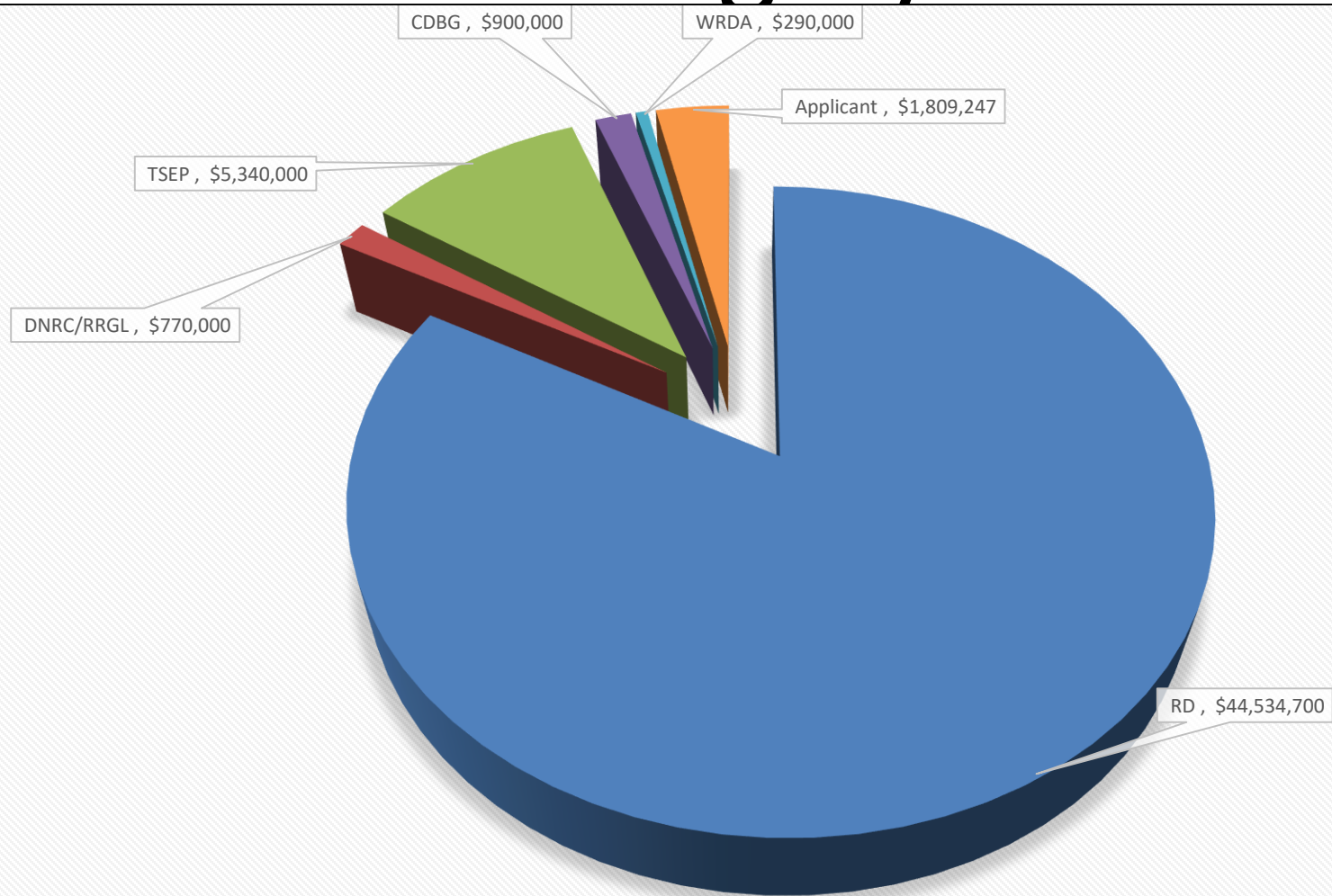
3% est. of our annual grant allocation

Water and Environmental Program

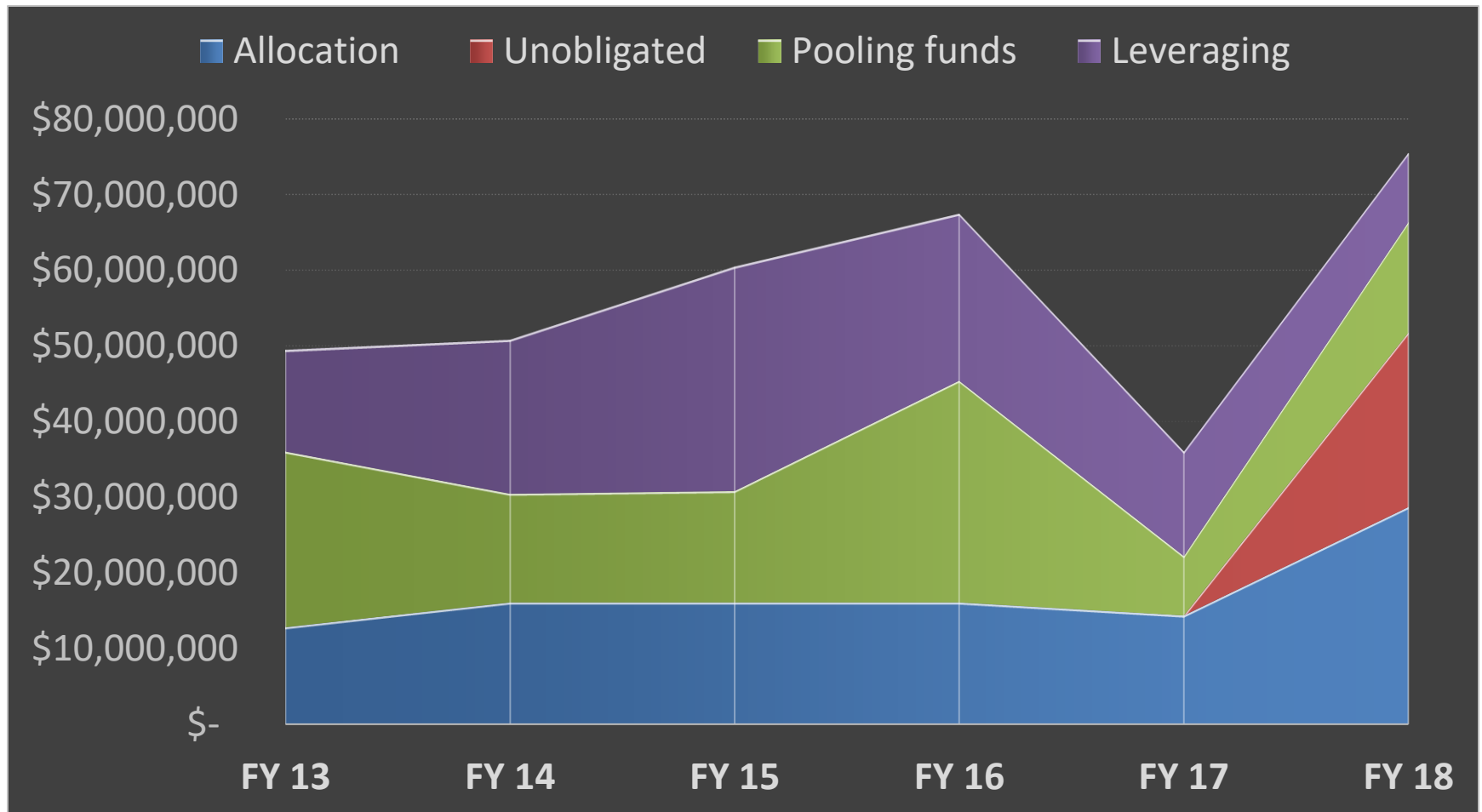
WEP Interest Rates

- Poverty Rate ...**2.50%**
When MHI of the area served is equal to or below \$38,205 and the project is necessary to alleviate a health and/or sanitation problem.
- Intermediate Rate..**3.75%**
When the MHI of the area served is less than \$47,757 and there are no documented health /sanitation problems.
- Market Rate... **4.25%**
When the MHI of the area served is greater than \$47,757

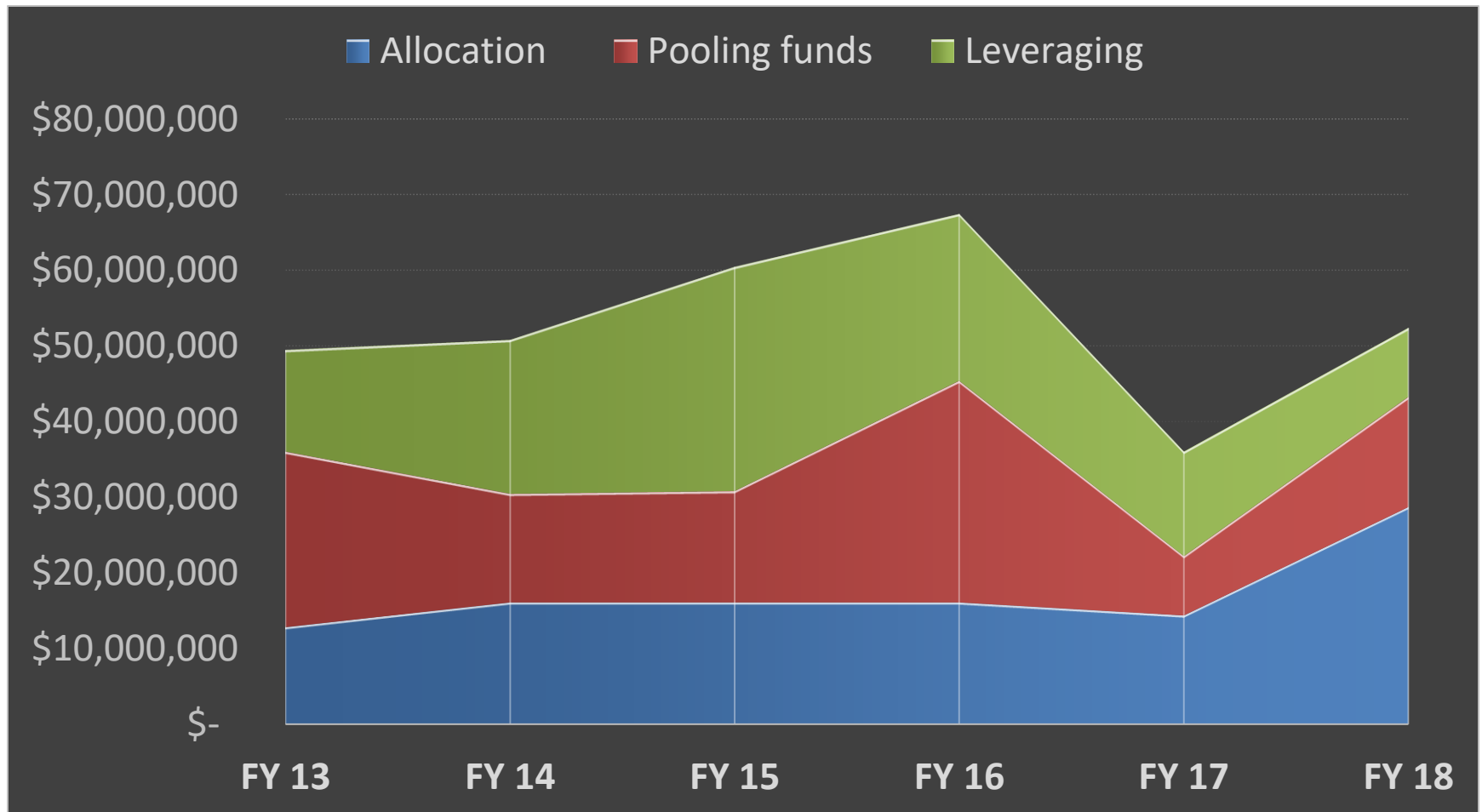
FY 18 Funding w/Partners



2013 - 2018



2013 - 2018



Water Programs FY 2018

Est. Allocation \$unknown

FY 18 \$44M loan \$7M Grant

Under a CR budget not finalized yet

FY 19 Funded to date \$ 0.0M

Applications on hand \$.8M

RD Funds Pooled in April 12, 2019
and August 9, 2019

WEP Guaranteed Loans

Loans are made by a bank or other lender and guaranteed against loss by the USDA Rural Development

Loans are made at lenders normal and customary rates and terms

Guarantee allows lenders to make loans that they otherwise could not

Cannot guarantee loans secured by tax-exempt obligations

Population limit raised to 50,000 in Farm Bill

\$500,000,000.00 available

Questions?



USDA Rural Development – Montana Rural Housing Service



Community Facilities

FINANCE THE DEVELOPMENT AND IMPROVEMENT
OF ESSENTIAL PUBLIC FACILITIES THAT SERVE RURAL
AREAS AND ARE FOR PUBLIC USE

ANY FACILITY NEEDED FOR THE ORDERLY
DEVELOPMENT OF A RURAL COMMUNITY.

MEDICAL CLINICS, FIRE STATIONS, FIRE TRUCKS,
ASSISTED LIVING FACILITIES, ROADS, BRIDGES, ETC.

Base Entity Eligibility

- Public Bodies - City, Town, County, District, etc.
- Non-Profit Corporations (BROAD BASED LOCAL CONTROL)
- Federally Recognized Indian Tribes
- Under 20,000 population

Base Loan Eligibility

Loan Interest Rates Through March 31, 2018 : 3.50%
MHI of the area served is equal to or below \$47,757
and the Population is under 20,000

Max. Loan Term Life of the security up to 40 years

Debt coverage 110% / positive cash flow

Other Credit - Not eligible if project can be funded by
commercial credit or use of a Guaranteed Loan

Base Grant Eligibility

- Not able to fund from own resources
- Not able to fund from use of a loan
- Only the amount needed to make the project feasible
- Max grant amount \$50K

Base Grant Eligibility

Max. Grant 75% When MHI of the area served is equal to or below \$28,654 and the Population is under 5,000

Max. Grant 55% When MHI of the area served is equal to or below \$33,429 and the Population is under 12,000

Max Grant 35% When MHI of the area served is equal to or below \$38,205 and the Population is under 20,000

Max. Grant 15% When MHI of the area served is equal to or below \$42,981 and the Population is under 20,000

CF Guaranteed Loans

Loans are made by a bank or other lender and guaranteed against loss by the USDA Rural Development

Loans are made at lenders normal and customary rates and terms.

Guarantee (max =90%) allows lenders to make loans that they other-wise could not make.

Cannot guarantee loans secured by tax-exempt obligations

Population limit raised to 50,000 in Farm Bill

Libby VFD



Madison Valley



GO **SLOW** in TROY



Your Project could be here!



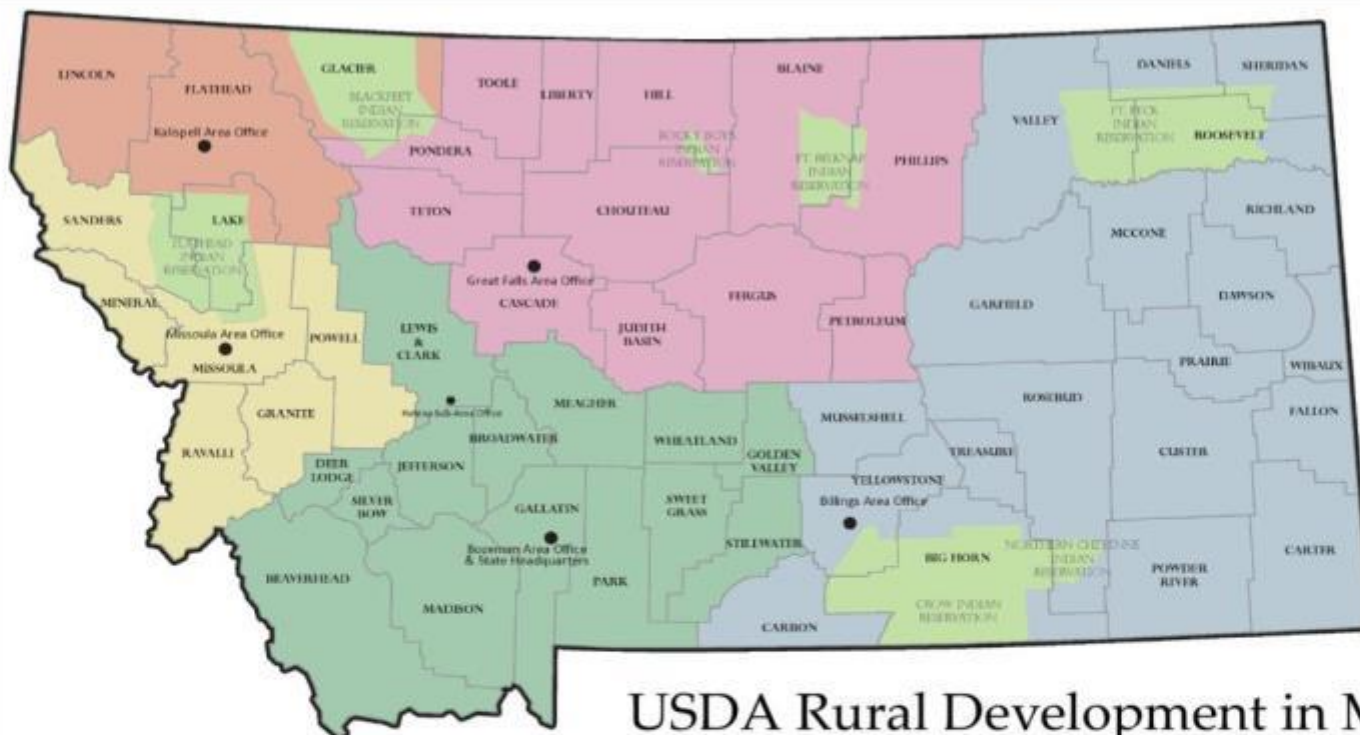
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Questions ?





United States Department of Agriculture



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